

REQUEST FOR PROPOSALS

Transaction Counsel:

*City of Baltimore participation in the
Maryland Department of Transportation
County Transportation Revenue Bond Program*

I. BACKGROUND AND PURPOSE

The City of Baltimore (the "City") is issuing this request for brief proposals ("RFP") from firms interested in representing the City ("Transaction Counsel") during its participation in the Maryland Department of Transportation ("MDOT") County Transportation Revenue Bond program (the "Program").

I.A) Background

Pursuant to the Program, which is authorized by Md. Code Ann., State Transportation Article, Title 3, Subtitle 5, MDOT issues County Transportation Revenue Bonds (the "Bonds") on behalf of jurisdictions such as the City. The Program requires the City to enter into a repayment/participation agreement (the "Participation Agreement") with the MDOT, which governs the City's participation in the program and through which the principal and interest of the bonds allocated to the City are repaid by the certain revenue, including the withholding of highway user revenues allocated from the State to the City. The City is required to pass an ordinance to allow participation (the "Ordinance"). The Ordinance has been introduced. The City expects to use MDOT's Participation Agreement.

The City expects to participate in this current iteration of the Program in an amount no greater than \$30 million. The City understands that MDOT will issue the Bonds to fund the City's participation no earlier than late fall 2006. While the Bonds are issued by MDOT, they are on the books of the locality, not MDOT.

The City last participated in the Program in approximately two years ago in the amount of \$30 million. Please reference the Charter of Baltimore City, 1996 Edition (online update 6.30.06) (the "Charter") for the legislation enabling the City to participate in the Program.

I.B) Scope of Services

Transaction Counsel shall provide legal services in conjunction with the City Solicitor's office's representation of the City in this transaction, including advising and/or representing the City during the issuance process and the negotiation and execution of the Participation Agreement. Transaction Counsel is not expected to perform legal work in connection with the actual issuance of the Bonds (such as, but not limited to, the issuance of any legal opinions in connection with the issuance of the Bonds by MDOT).

I.C) Inquiries

All inquiries concerning this RFP shall be made by e-mail and shall be submitted to:

Alan Sun, Chief Solicitor
E-mail: alan.sun@baltimorecity.gov

Questions will be answered timely. In an effort to provide a fair process and complete information, all submitted questions and their responses are available to any potential respondent upon a potential respondent's request.

I.D) Submission of the Response

The response (the "Response") shall consist of the Description and the Price Proposal (as defined below). Please submit an original and two (2) copies of the Response to:

Ralph S. Tyler (the "Contract Officer")
City Solicitor
City Hall, Room 101
100 Holliday Street
Baltimore, Maryland 21202

All Responses must be delivered to the above office on or before Wednesday, August 23, 2006, at 12:00 p.m., local time. Responses received after this date and time will not be considered.

The Response must be sealed and marked "County Transportation Bond Program RFP."

It is requested that an electronic version of the Response be emailed to the Administrative Officer, but this is not a requirement for participation.

I.E) Contract and Length

Transaction Counsel chosen as a result of this RFP shall enter into a contract with the City (the "Contract") which shall consist of the following: this RFP, the Response, and an engagement letter approved by the City, all of which shall be binding. The Contract expires when all legal work requested in connection with this RFP is completed.

I.F) Financial Responsibility

Respondent understands and agrees that the City shall have no financial responsibility for any costs incurred by the respondent in responding to this RFP. The successful bidder shall be solely responsible for meeting all terms and conditions specified in the Contract.

I.G) Follow-up

The City reserves the right to follow-up the RFP as it deems appropriate in its sole discretion, including but not limited to additional questions and/or oral presentations. It is presently not expected that any follow-up will be required.

I.H) Effective Period of Responses

Responses must remain in effect until either the respondent withdraws the response in writing, a contract is executed, or the RFP is canceled, whichever occurs first.

I.I) Right of Rejection; Waiver

Notwithstanding any other provisions of this RFP, the City reserves the right to reject any or all Responses in its sole discretion, to waive any irregularity or informality in a Response, and to accept or reject any item or combination of items, when to do so would be in the City's interest.

I.J) Public Information

Proposals may be subject to disclosure pursuant to the provisions of the Access to Public Records Act, Section 10-611 et seq. of the State Government Article of the Annotated Code of Maryland (the "Public Information Act"). Respondents must identify specifically those portions of its Proposal, if any, which it deems to contain trade secrets or confidential or proprietary information and must provide justification why such materials should not, upon request under the Public Information Act, be disclosed by the City.

II. THE RESPONSE

The purpose of this section is to state the terms and conditions that will govern the Response. The firm's name and address should be on each page of the Response.

II.A) Cover Letter

Your firm should include a cover letter with the name and contact information of the person or persons authorized to represent the respondent regarding all matters related to the Response.

II.B) Statement of Qualifications

Briefly state the qualifications of the firm (the "Description"). It is requested that the Description be as short as possible, preferably no more than three pages. This Description should include the following:

- Identify the individual(s) who will manage (individually or collectively, the "Manager") this Participation on a day-to-day basis. Describe the Manager's background and position within the firm or include a website address that contains such information. Describe the Manager's availability and the Manager's other commitments and how those commitments might impact the Manager's availability.
- Identify other professionals and members of your firm who will be assigned to work on this project. Describe each member's role and responsibilities and the aspects of each member's background relevant to this transaction.
- Include a statement that your firm and key professionals do not have or anticipate having a potential conflict of interest with the City or identify any potential conflicts of interest.
- Include a statement binding your firm during the term of the Contract to maintain in full force and effect professional liability insurance covering, *inter alia*, securities- and malpractice-related claims (the "Insurance"). Please provide a description of the coverage (including amount) of the Insurance. Acknowledge that if selected as bond counsel, your firm will provide to City proof of such Insurance immediately upon request. Please list any pending claims or disputes relating to prior opinions as counsel in any municipal finance transaction.

The City reserves the right to request references after submission of the Response.

II.C) Price Proposal

The City is seeking fixed-fee price proposals (the "Price Proposal") to complete the above described transactions. It is requested that the Price Proposal be as short as possible, preferably no more than one paragraph.

The award of the Contract is contingent on negotiating and finalizing a fee structure that is acceptable to the Contract Officer in his sole and absolute discretion. Negotiations may occur with more than one firm. The final selection of Transaction Counsel will rest on a number of factors, such as the Evaluation Criteria listed in Section III, *infra*, and any other criteria determined by the City in its sole and absolute discretion.

III. EVALUATION CRITERIA

The City anticipates using the following criteria to evaluate the responses and determine the recipient of the Contract. THE CITY RESERVES THE RIGHT TO AMEND OR MODIFY THESE FACTORS AT ANY TIME WITHOUT NOTICE TO ANY INTERESTED PARTY.

1. The ability to provide the requested services.
2. The Price Proposal.
3. Experience/Qualification(s) of staff to be assigned to engagement.
4. The level and expertise of service to be provided.
5. Local Baltimore Presence
6. Prior representation of Baltimore City

The City will select the Response that best meets its objectives in its sole and absolute discretion. The City is not required to select the low-cost respondent.

The City reserves the right to negotiate a change in any element of the Contract or any part of this RFP.
